

**CITY OF ST. CHARLES FIRST-TIME HOMEBUYER LOAN PROGRAM**  
**NOVEMBER 2019**

**PROGRAM OVERVIEW**

The City of St. Charles is committed to promoting the availability of attainable housing in the community. Purchasing a home in St. Charles is often out of reach for first-time homebuyers due to the market values of St. Charles' housing stock as well as the need for a downpayment. In an effort to make purchasing a home in St. Charles more affordable for local families, the City offers a downpayment assistance program for first-time homebuyers. Funding for this program will be provided by the St. Charles Housing Trust Fund.

| Program Name                                      | Program Description  | Available Funds                   | Type of Loan   |
|---|--|-----------------------------------|--|
| First-Time Homebuyer Loan Program (the "program") | Prospective homebuyers apply to the Kane County Office of Community Reinvestment for a loan through the City's Program. The program is supplemental to Kane County's First-Time Homebuyer Program. Applicants initially apply for the Kane County program. \$10,000 in assistance is available through the County's program. Loans through the City's program are considered if additional assistance is necessary to meet the County's underwriting criteria. | Maximum of \$10,000 per household | 0% Interest deferred-payment loan with repayment at the time of sale or transfer of deed |

**ELIGIBILITY**

The following criteria will determine applicant eligibility:

1. **Income**: The annual gross household income of the applicant's household may not exceed the income limits established below.
2. **Status**: The applicant(s) must satisfy HUD's definition of a first-time homebuyer, meaning the applicant(s) may not have owned a home for the past three years.
3. **Residency**: The applicant(s) must currently live or work in Kane County and must have lived or worked in Kane County for at least one year at the time of closing.
4. **Location**:
  - a. The property to be purchased must be within the City of St. Charles corporate limits.
  - b. The property to be purchased may not be located in the 100-year floodplain.
5. **Unit Type**: The property to be purchased may be a single-family detached unit, condominium unit, or townhome unit.
6. **Purchase Price**: The maximum purchase price for an existing home is \$223,000. The maximum purchase price for a new home is \$249,000. (Values effective 4/15/2019)
7. **Ownership**: The person(s) receiving the loan must plan to live within the dwelling unit, and not rent the unit to other persons.
8. **Downpayment Contribution**: The applicant(s) must contribute a downpayment of at least 1% of the purchase price of the home to be purchased.
9. **Homebuyer Education**: The applicant(s) must successfully complete a homebuyer education course from a HUD certified agency.

10. Mortgage Approval: The applicant(s) must have obtained approval for first mortgage financing that comply with the guidelines established by the Kane County's First Time Homebuyer Program.
11. Home Inspection: The property to be purchased must pass a general home inspection and a lead-based paint inspection conducted by a Kane County inspector.

## INCOME LIMITS

Annual gross household income cannot exceed the most recent income limits for a household at 80% Area Median Income based on household size, as published by the Illinois Housing Development Authority (source: <http://www.ihda.org>):

| Chicago Metro Area Income Limits by Household Size at 80% Area Median Income |          |          |          |          |          |          |          |          |
|--|----------|----------|----------|----------|----------|----------|----------|----------|
|  | 1 Person | 2 Person | 3 Person | 4 Person | 5 Person | 6 Person | 7 Person | 8 Person |
| 2019 Income Limits (80% AMI)   | \$49,950 | \$57,050 | \$64,200 | \$71,300 | \$77,050 | \$82,750 | \$88,450 | \$94,150 |